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FISCAL IMPACT STATEMENT

LS 7009

BILL NUMBER: HB 1781

NOTE PREPARED: Jan 11, 2003

BILL AMENDED:

SUBJECT: Administration of ISTEP by computer.

FIRST AUTHOR: Rep. Heim

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: The bill requires the Department of Education (the Department) to establish a pilot program of administering the ISTEP examination by computer.

Effective Date: July 1, 2003.

Explanation of State Expenditures: *Summary:* The cost to establish an ISTEP computer assessment pilot program would rely on various factors, including the number students involved with the program, the development of examination questions, and the ability to store examination questions. Additionally, the Department may be required to study the results of a computer examination pilot program. The cost to implement a computer based pilot program for ISTEP is indeterminable. However, development costs aside, the computerization of ISTEP could reduce future expenditures necessary for the current paper and pencil version of the examination including production, distribution, and warehousing of examination booklets and answer sheets. The implementation of a computer examination could also reduce the turnaround time on return of results.

The bill does not make an appropriation. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

Background: Four states, Idaho, Georgia, Oregon, and South Dakota have implemented a pilot program to initiate a computer based assessment. In Oregon, approximately 4,000 students at 28 elementary and high schools participated in the pilot program of computer based mathematics and English assessments. The initial cost to implement the Oregon program is estimated at \$600,000. The Idaho pilot program implemented over the 2002-2003 school year covers grades 2-9 at approximately \$3.7 M. Spring 2002 costs for the Idaho pilot

program were approximately \$540,000.

South Dakota had approximately 10,000 students in their computer examination pilot program. The South Dakota Department of Education had requested \$500,000 in its proposed budget for FY 2002 for computer based testing.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected:

Information Sources: www.edweek.org; Jerry McCanna, CTB McGraw-Hill, (317) 581-9404.

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